



BOARD OF SUPERVISORS

Gloria Molina
First District

Yvonne Brathwaite Burke
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

THOMAS L. GARTHWAITE, M.D.
Director and Chief Medical Officer

FRED LEAF
Chief Operating Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
(213) 240-8101

July 29, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT NO. 2 TO AGREEMENT NO. H-210828
WITH FILE KEEPERS, INC. FOR OFF-SITE MEDICAL RECORDS AND
X-RAY FILM STORAGE AND RETRIEVAL SERVICES**

(All Districts) (3 Votes)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Director of Health Services, or his designee, to sign Amendment No. 2 to Agreement No. H-210828 with File Keepers, Inc., for the continued provision of off-site medical records and X-ray film storage and retrieval services for Harbor/UCLA Medical Center, Martin Luther King, Jr./Drew Medical Center, LAC+USC Healthcare Network, Public Health Centers, and Consolidated Business Office, effective September 1, 2004 through July 31, 2005, at a maximum cost of \$289,886, net County cost.
2. Delegate authority to the Director of Health Services, or his designee, to add other County sites/facilities that may require off-site medical records and X-ray film storage and retrieval services during the term of the Amendment, through an administrative amendment between the Director and Contractor. The estimated additional cost will be determined by County upon the implementation of the new services and will not exceed 50% of the current budget per year, or \$144,943, annually.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS:

In approving the recommended actions, the Board is providing for the continued provision of off-site medical records and X-ray film storage and retrieval services by File Keepers, Inc. (File Keepers) for

identified County facilities at a total maximum cost of \$289,886, net County cost, and the addition of other sites at an estimated additional cost not to exceed 50% of the current budget per year, or \$144,943, annually.

FISCAL IMPACT/FINANCING:

During the extension period, beginning September 1, 2004 through July 31, 2005, the cost for services provided to the current County sites will be as follows: 1) Harbor/UCLA Medical Center (H/UCLA), \$79,182; 2) Martin Luther King, Jr./Drew Medical Center (King/Drew), \$84,865; 3) LAC+USC Healthcare Network (LAC+USC), \$48,833; 4) Public Health Centers (PHCs), \$14,006; 5) Health Services Administration, Consolidated Business Office, Fiscal Services, and Controller Division, \$63,000, for total net County cost of \$289,886.

Funding for this Amendment is included in the Fiscal Year 2004-05 Board Adopted Budget and will be requested in future fiscal years, as a continuing appropriation.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The safe maintenance and storage of patient medical records and X-ray film are required by California Code of Regulations, Title 22, Section 51476. Off-site medical records and X-ray film storage and retrieval services include, but are not limited to, receiving, packaging, transporting, inventorying, filing, storing, retrieving, and destroying at County's request, such medical records and X-ray film.

On September 7, 1999, the Board approved the existing agreement with File Keepers for the provision of off-site medical records and X-ray film storage and retrieval services at Harbor/UCLA and Bellflower, Norwalk, and Wilmington health centers, through August 31, 2004. On October 15, 2002, the Board approved Amendment No. 1 which added other Department of Health Services' (DHS or Department) facilities that required these services.

Amendment No. 2 will extend the term of the agreement for eleven months to continue the provision of off-site medical records and X-ray film storage and retrieval services at various DHS sites, effective September 1, 2004 through July 31, 2005.

The Amendment contains the latest provisions regarding payment for services provided following expiration/termination of the contract and contractor's acknowledgment of County's commitment to safely surrendered baby law.

The agreement may be terminated with or without cause by the County by providing a 30 days advance written notice.

Attachment A provides additional information.

County Counsel has approved the amendment (Exhibit I) as to use and form.

The Honorable Board of Supervisors
July 29, 2004
Page 3

CONTRACTING PROCESS:

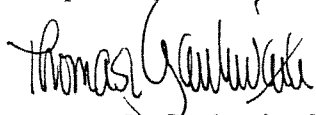
Amendment No. 2 will be effective on September 1, 2004 through July 31, 2005, as an interim measure to continue the provision of off-site medical records and X-ray film storage and retrieval services. This Amendment is being requested while DHS completes the Statement of Work and other information needed to issue an Invitation for Bids (IFB). The Department plans to advertise the IFB on the Office of Small Business' Countywide Web Site and in local newspapers.

IMPACT OF CURRENT SERVICES (OR PROJECTS):

The Amendment will ensure the uninterrupted provision of off-site medical records and X-ray film storage and retrieval services, that patient medical records and X-ray film will be safely maintained and stored, and help to reduce overcrowding of storage areas throughout the Department.

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,



Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer

TLG:dz

Attachments

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors
Auditor-Controller

BLETCD3467.DZ

SUMMARY OF AMENDMENT

1. TYPE OF SERVICE:

Provide off-site medical records and X-ray film storage and retrieval services at various County sites within Harbor/UCLA Medical Center (Harbor/UCLA), Martin Luther King, Jr./Drew Medical Center (King/Drew), LAC+USC Healthcare Network (LAC+USC), Consolidated Business Office (CBO), Public Health Centers (PHCs), and Fiscal Services Division.

2. AGENCY ADDRESS AND CONTACT PERSON:

File Keepers, Inc.
6277 East Slauson
Los Angeles, CA 90040-3011
Attention: Tom McGovern, President
Liz Rogers, Contract Liaison
Telephone: (323) 728-3133 Ext. 320

3. TERM:

The term of the amendment will be effective on September 1, 2004 through July 31, 2005.

4. FINANCIAL INFORMATION:

The contract cost for services provided to the current County sites will be as follows: 1) Harbor/UCLA, \$79,182; 2) King/Drew, \$84,865; 3) LAC+USC, \$48,833; 4) PHCs, \$14,006; 5) Fiscal Services Division and CBO, \$63,000, or a total net County cost of \$289,886 for the 11-month extension period.

Funding for this agreement is included in the Fiscal Year 2004-05 Board Adopted Budget and will be requested in future fiscal years, as a continuing appropriation..

5. PROGRAM INFORMATION:

Off-site medical records and X-ray film storage and retrieval services include, but are not limited to, receiving, packaging, transporting, inventorying, filing, storing, retrieving, and destroying at County's request, such medical records and X-ray film.

6. APPROVALS:

Harbor/UCLA Medical Center: Tecla A. Mickoseff, Chief Executive Officer

King/Drew Medical Center: David Runke, Interim Chief Executive Officer

LAC+USC Healthcare Network: Pete Delgado, Chief Executive Officer

Contract Administration: Irene E. Riley, Director

County Counsel (as to form): Robert E. Ragland, Senior Deputy County Counsel

EXHIBIT I

Contract No. H-210828

**MEDICAL RECORDS AND X-RAY FILMS STORAGE
AND RETRIEVAL SERVICES AGREEMENT**

AMENDMENT NO. 2

THIS AMENDMENT is made and entered into this _____ day
of _____, 2004,

by and between

COUNTY OF LOS ANGELES (here-
after "County"),

and

FILE KEEPERS, INC. (hereafter
"Contractor").

WHEREAS, reference is made to that certain document entitled
"MEDICAL RECORDS AND X-RAY FILMS STORAGE AND RETRIEVAL SERVICES
AGREEMENT", dated September 7, 1999, further identified as County
Agreement No. H-210828 and Amendment No. 1 thereto (all hereafter
"Agreement"); and

WHEREAS, Agreement is slated to expire on August 31, 2004;
and it is the desire of the parties hereto to extend the term of
Agreement, and make other hereafter described changes; and

WHEREAS, County intends to complete a competitive selection
process (i.e., invitation for bids) to award a new contract during
the contemplated extension; and

WHEREAS, Agreement provides that changes to its provisions

may be made in the form of a written amendment which is formally approved and executed by both parties.

NOW, THEREFORE, the parties hereby agree as follows:

1. This Amendment shall become effective September 1, 2004 and continue through July 31, 2005.

2. That Exhibit G-2, "Additional Department of Health Services Facilities and Custodians of Records" and Exhibit H-2, "Additional Billing Locations", shall be added to this Agreement, as attached hereto and incorporated herein by reference.

3. That Paragraph 3.0, ADMINISTRATION OF AGREEMENT, Subparagraph 3.6, Term of Agreement and Termination, Sub-subparagraph 3.6.3, Termination, the first paragraph be revised and amended as follows:

"3.6.3 County may cancel or terminate this Agreement in whole or in part by giving Contractor thirty (30) days written notice without any liability other than payment for work already performed up to the date of Agreement termination at the rate stated in Exhibit B, Pricing Schedule."

4. That Paragraph 45.0, CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM, be revised and amended as follows:

"45.0 Contractor acknowledges that County has

established a goal of ensuring that all individuals who benefit financially from County through County contracts are in compliance with their court-ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

As required by County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting Contractor's duty under this Agreement to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Agreement maintain in compliance with employment and wage reporting requirements as required by the federal Social Security Act [(42 USC section 653 (a))] and California Unemployment Insurance Code section 1088.55, and shall implement all lawfully served Wage and Earnings Withholdings Orders or Child Support Services Department ("CSSD") Notices of Wage and Earnings Assignment for Child, Family, or Spousal Support, pursuant to Code of Civil Procedure section 706.031 and Family Code section 5246 (b)."

5. That Paragraph 46.0, TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM, be revised and amended as follows:

"46.0 Failure of Contractor to maintain compliance with

the requirements set forth in the "Contractor's Warranty of Adherence to County's Child Support Compliance Program" Paragraph immediately above, shall constitute a default by Contractor under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure of Contractor to cure such default within ninety (90) calendar days of written notice by County shall be grounds upon which County may terminate this Agreement pursuant to the "Termination for Default Paragraph of this Agreement (or "Term and Termination" Paragraph of this Agreement, whichever is applicable) and pursue debarment of Contractor, pursuant to County Code Chapter 2.202."

6. That Paragraph 49.0, CONTRACTOR'S RESPONSIBILITY AND DEBARMENT, be revised and amended as follows:

"49.1. A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the contract. It is County's policy to conduct business only with responsible contractors.

49.2. Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if County acquires information concerning the performance of Contractor under this Agreement or other contracts, which indicates that

Contractor is not responsible, County may in addition to other remedies provided under this Agreement, debar Contractor from bidding or proposing on, or being awarded and/or performing work on, County contracts for a specified period of time not to exceed three (3) years, and terminate this Agreement and any or all existing contracts Contractor may have with County.

49.3. County may debar Contractor if County's Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (1) violated any term of this Agreement or other contract with County or a non-profit corporation created by County, (2) committed any act or omission which negatively reflects on Contractor's quality, fitness, or capacity to perform a contract with County or any public entity, or a non-profit corporation created by County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against County or any other public entity.

49.4. If there is evidence that Contractor may be subject to debarment, Director will notify Contractor in writing of the evidence which is the basis for the proposed

debarment and will advise Contractor of the scheduled date for a debarment hearing before County's Contractor Hearing Board.

49.5. County's Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor or Contractor's representative, or both, shall be given an opportunity to submit evidence at that hearing. After the hearing, County's Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether Contractor should be debarred, and if so, the appropriate length of time of the debarment. Contractor and Director shall be provided an opportunity to object to the proposed decision prior to its presentation to County's Board of Supervisors.

49.6. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of County's Contractor Hearing Board shall be presented to County's Board of Supervisors. County's Board of Supervisors shall have the right at its sole discretion to modify, deny, or adopt the proposed decision and recommendation of County's Contractor Hearing Board.

49.7. These terms shall also apply to any subcontractors of Contractor, vendor, or principal owner of Contractor, as defined in Chapter 2.202 of the County Code."

7. That Paragraph 53.0, MAXIMUM OBLIGATION OF COUNTY, be revised and amended as follows:

"53.0. During the period effective September 1, 2004 through July 31, 2005, the maximum obligation of County for services provided under this Agreement shall not exceed Two Hundred Eighty-Nine Thousand, Eight Hundred Eighty-Six Dollars (\$289,886). Such maximum obligation is comprised entirely of County funds. This sum represents the total maximum obligation of County as shown in Schedule 2, attached hereto and incorporated herein by reference.

During the term of this Agreement, if additional County sites that require off-site medical records and X-ray film storage and retrieval services request to be added to this Agreement and if sufficient monies other than the maximum obligation monies under this Agreement are available, the Director of Health Services, or his authorized designee, has delegated authority to increase the maximum obligation by an amount not to exceed 50% of the maximum obligation; i.e., One Hundred Forty-Four Thousand, Nine Hundred Forty-Three Dollars (\$144,943).

Any increase in the County's Maximum Obligation because of additional services requested by the County shall be accomplished by an Administrative Amendment between the Director of Health Services, or his authorized designee, and the Contractor."

8. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its

/

/

/

/

/

/

/

/

/

/

/

/

/

/

Director of Health Services, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officers, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
Thomas L. Garthwaite, M.D.
Director and Chief Medical
Officer

FILE KEEPERS, INC. _____
Contractor

By _____
Signature

Printed Name

Title _____
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Health Services

By _____
Irene E. Riley, Director
Contract Administration

AMENDCD3466.DZ
07/20/04

ADDITIONAL DEPARTMENT OF HEALTH SERVICES FACILITIES
& CUSTODIANS OF RECORDS

PUBLIC HEALTH CENTERS

Antelope Valley Health Center
335-B East Avenue
Lancaster, CA 93535
Attention: Terry Martindale
Telephone: (661) 723-4526

Central Health Center
241 North Figueroa Street
Los Angeles, CA 90012
Attention: Lupe Sanchez
Telephone: (213) 240-8220

Curtis-Tucker Health Center
123 West Manchester Boulevard
Inglewood, CA 90301
Attention: Maria Horne
Telephone: (310) 419-1992

Glendale Health Center
501 North Glendale Avenue
Glendale, CA 91206
Attention: Lois Treat
Telephone: (818) 500-5765

Hollywood/Wilshire Health Center
5205 Melrose Avenue
Los Angeles, CA 90038
Attention: Diane Walker
Telephone: (323) 769-7879

Monrovia Health Center
330 West Maple Avenue
Monrovia, CA 91016
Attention: Carrie Brown
Telephone: (626) 256-1616

PUBLIC HEALTH CENTERS (cont'd)

North Hollywood Health Center
5300 Tujunga Avenue
North Hollywood, CA 91601
Attention: Miriam Sanchez
Telephone: (818) 896-1903

Pacoima Health Center
13300 Van Nuys Boulevard
Pacoima, CA 91331
Attention: Miriam Sanchez
Telephone: (818) 896-1903

Pomona Health Center
750 South Park Avenue
Pomona, CA 91766
Attention: Adela Morales
Telephone: (909) 868-0234

South Health Center
1522 East 102nd Street
Los Angeles, CA 90002
Attention: Selim Tamer
Telephone: (323) 563-4542

Torrance Health Center
711 Del Amo Boulevard
Torrance, CA 90502
Attention: Levy Robinson
Telephone: (310) 354-2301

SAN FERNANDO VALLEY CLUSTER/VALLEY CARE

Olive View-UCLA Medical Center
14445 Olive View Drive
Sylmar, CA 91342
Attention: Dexter Moon
Telephone: (818) 364-3418

OTHER LOCATIONS

Health Services Administration (HSA)
Fiscal Services Division
313 North Figueroa Street
Los Angeles, CA 90012
Attention: Eva Guillen
Telephone: (213) 240-7726

HSA - Controller's Division
313 North Figueroa Street
Los Angeles, CA 90012
Attention: Andrea Seanez
Telephone: (213) 240-8273

ADDITIONAL BILLING LOCATIONS

PUBLIC HEALTH CENTERS

Health Services Administration
313 North Figueroa Street
Los Angeles, CA 90012
Attention: Barry Hunt
Telephone: (213) 240-8346

SAN FERNANDO VALLEY CLUSTER/VALLEY CARE

Olive View-UCLA Medical Center
14445 Olive View Drive
Sylmar, CA 91342
Attention: Dexter Moon
Telephone: (818) 364-3418

OTHER LOCATIONS

HSA - Fiscal Services Division
313 North Figueroa Street
Los Angeles, CA 90012
Attention: Eva Guillen
Telephone: (213) 240-7726

HSA - Controller's Division
313 North Figueroa Street
Los Angeles, CA 90012
Attention: Andrea Seanez
Telephone: (213) 240-8273

AMENDCD3466.DZ
07/20/04

SCHEDULE 2

MEDICAL RECORDS AND X-RAY FILMS STORAGE BUDGET EFFECTIVE 9/1/04 THROUGH 7/31/05

| | |
|---|-------------------------|
| HARBOR/UCLA MEDICAL CENTER | \$ 79,182 |
| LAC+USC HEALTHCARE NETWORK | 48,833 |
| MARTIN LUTHER KING/DREW MEDICAL CENTER | 84,865 |
| PUBLIC HEALTH CENTERS | 14,006 |
| FISCAL SERVICES - CONTROLLER'S DIVISION - CONSOLIDATED BUSINESS OFFICE - HSA | <u>63,000</u> |
| TOTAL | <u><u>\$289,886</u></u> |

AMENDCD3466.DZ
07/20/04